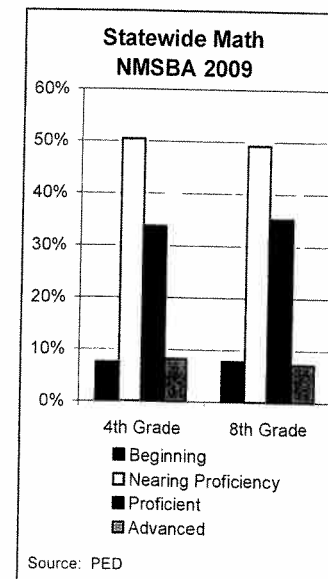
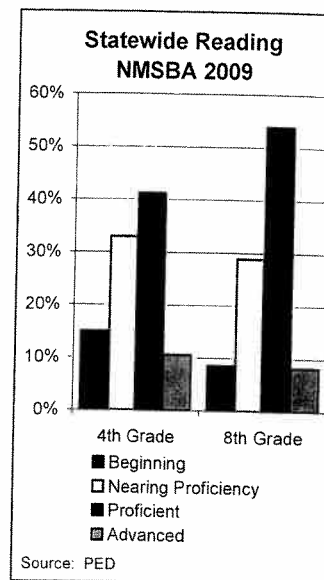


The Public Education Department (PED) certified its annual report of student achievement highlighting a disappointing graduation rate of 60.3 percent for freshman entering high school in 2005 and graduating in 2008. This number does not include certain categories of students (including those who left school and received a GED, moved out of state, if identified, or remain enrolled in high school as underclassmen) but it does point to the need for programs that keep kids in school. The department also reported that, based on assessment results from FY09, 508 schools, or 62 percent of all schools, are in the school improvement cycle for the FY10 school year, an increase of 76 schools over FY09. This increase continues to be the result of more schools entering the school improvement cycle for the first time or coming off of delay status for not meeting AYP in consecutive years.

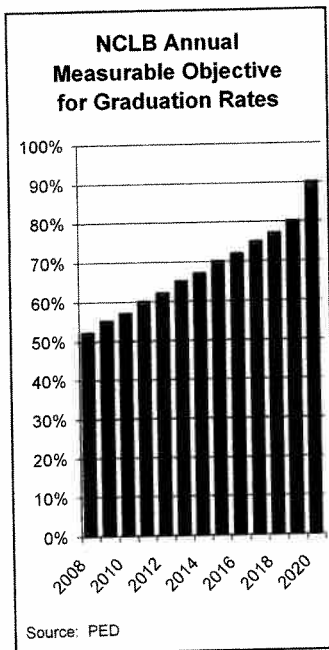
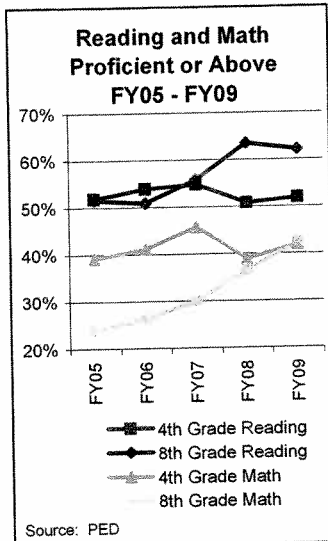
For FY09, three strategic elements were considered in evaluating the effectiveness of New Mexico's public schools: student achievement, teacher quality, and student persistence. FY09 marks the first year that more accurate graduation rate data is available since the measure was changed in 2004 to a four-year cohort methodology. The department, in the past, chose to report an annual graduation rate describing the ratio of students beginning their senior year to those who completed the year and noted that the result would be inaccurate if summer graduates were not included. The cohort method provides more transparency and includes the impact of high out-migration between the ninth and 10th grades and should be in full effect for the first quarter of FY10. Recent statute changes will allow students graduating in the summer following their cohort graduation as well as students finishing their fifth year of high school to be counted in the graduation rate for the cohort. This will delay graduation rate reporting by more than a year.

Even though public school support accounts for almost half of the state's budget, periodic accountability is limited because most data are collected and reported annually and as a statewide aggregate, making it difficult to assess progress by districts in achieving results during the year. To address this, the Legislature should consider implementing a statewide short-cycle assessment reported to PED at least three times a year. Over 70 districts already use one of at least nine short-cycle assessments. These assessments are not designed to assess proficiency but can be used to assist in making instructional decisions and also to indicate growth over time. An additional benefit to intermediate reporting of student growth would be to help PED determine how to better support schools.

Student Achievement and Teacher Quality. In spite of the increase in the number of schools in need of improvement, FY09 proficiency data released by the department is encouraging, with the percent of students' proficient or above in math in all grades showing improvement over the previous year. A bright spot is student performance in the eighth grade where over the last five years math scores have almost doubled, posting gains of 19 percent. Some concern remains with fourth grade performance because proficiency levels appear to be relatively flat over the same five-year period. In spite of these gains, the achievement gap continues to widen for most subgroups.



Public Education



With the implementation of three-tier licensure, the percent of classes taught by highly qualified teachers is expected to continue to move toward the NCLB requirement of 100 percent. Statewide, schools are improving the numbers of highly qualified teachers teaching classes, and movement to 100 percent has been robust in the last quarter of FY09. Because a large number of teachers from external sources such as Teach for America and Save the Children are used by some districts in the state, achieving the 100 percent goal will be difficult. Generally, these are high-quality teachers but they lack the certification and training required to be considered highly qualified under the No Child Left Behind Act.

Measure	FY08 Actual	FY09 Target	FY09 Actual	FY09 Rating
Percent of elementary school students who achieve the school-year No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in reading and language arts	55%	63%	57%	●
Percent of middle school students who achieve the school-year No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in reading and language arts	52.8%	57%	53%	●
Percent of elementary school students who achieve the school-year No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in mathematics	41.3%	50%	46.6%	●
Percent of middle school students who achieve the school-year No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in mathematics	31.6%	41%	36%	●
Percent of recent New Mexico high school graduates who take remedial courses in higher education at two-year and four-year schools	50.1%	40%	45.4%	●
Current year's cohort graduation rate using the four-year cumulative method	N/A	80%	60.3%	●
Annual percent of core academic subjects taught by highly qualified teachers, kindergarten through twelfth grade	94.2%	100%	98.2	Y
Overall Program Rating				●

Public Education

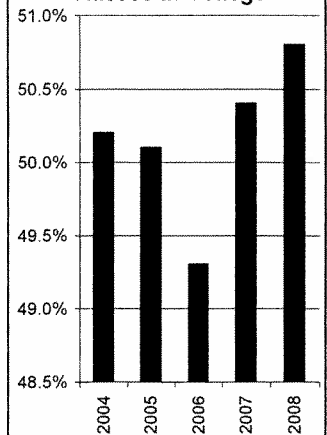
Department Operations. As expenditures to school districts increase, a concern is the lack of interface between the Operating Budget Management System (OBMS) and the STARS data warehouse and the accuracy of data input from the districts. Part of this was exemplified by the confusion over graduation rates and the quality of data and corrections received from districts. A number of long-term concerns continue, particularly with the time necessary to finalize 40th and 80th day data and the importance of the data to the Legislature in making appropriation decisions. Phase 3 of the data warehouse project is underway with all appropriations encumbered and expended. Current estimates to bring STARS up to speed with data reporting are approximately \$4.5 million.

Measure	FY08 Actual	FY09 Target	FY09 Actual	FY09 Rating
Percent of No Child Left Behind adequate yearly progress designations publicly reported by August 1 st	100%	100%	100%	G
Percent completion of the data warehouse project	100%	75%	100%	G
Percent of teachers adequately informed and trained on the preparation of the licensure advancement professional dossiers	N/A	95%	81%	
Percent of bureaus in five core areas (data collection and reporting, assessment and accountability, special education, capital outlay school budget and finance analysis) meeting the public education department's customer service standards	100%	60%	67%	G
Percent of customers interacting with the public education department who report satisfaction with their telephone communications with the department	97%	90%	92.5%	G
Average processing time for school district budget adjustment requests, in days (direct grants)	4	7	4	G
Average processing time for school district budget adjustment requests, in days (flow-through funds)	N/A	7	18.8	

Overall Program Rating

Y

Percent of NM High School Graduates Taking Remedial Classes in College



Source: OEA

